MB-103

Sl. No.

I Semester M.B.A. Degree Examination, May/June - 2026

MANAGEMENT

Accounting for Managers

(Non-CBCS Scheme)

Time : 3 Hours **Maximum Marks : 80**

SECTION - A

Answer any Five sub-questions. Each sub-question carries 3 marks. (5×3=15)

1. a) Define Management Accounting.

b) What is CVP analysis?

c) What is relevant costing?

d) What is meant by ratio analysis?

e) State the contents of fund flow and cash flow statements.

f) What do you mean by job costing?

g) Why are sunk costs not relevant for decision making?

SECTION - B

Answer any Four questions. Each question carries 5 marks. (4×5=20)

2. Discuss and explain the relevance of the following concepts:

a. Business entity concept.

b. Cost concept.

3. Compare and contrast financial accounting with management accounting.

4. Explain the assumptions of Break-even analysis.

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5. From the following data, calculate break-even point

Budgeted output (in units)	70,000
Fixed cost	Rs. 8,00,000
Selling price per unit	Rs. 44
Variable cost per unit	Rs. 24

If the selling price is reduced to Rs. 40 per unit. What will be the revised break even point?

6. Mr. Ashok, a sole proprietor, had business transactions with X and Co., as shown below:

Date	**Particulars**	**Amount (Rs. 000s)**
Feb. 1 2017	Balance due from X and Co.,	100
Feb. 3 2017	Cash sales to X and Co.,	70
Feb. 4 2017	Bought furniture from X and Co.,	25
Feb. 6 2017	Murthy returned goods to X and Co.,	20
Feb. 9 2017	X and Co., purchased goods from us	120
Feb. 10 2017	Returned goods from X and Co.,	15
Feb. 20 2017	X and Co., settled their account by cheque and received discount	02

Prepare the account of X and Co., in the books of the sole proprietor from the above details.

7. Explain the different types of budget.

SECTION - C

Answer any Three questions. Each question carries 10 marks. (3×10=30)

8. "The Emergence of Cost Accounting system is mainly due to the various limitations of Financial Accounting" - Discuss.

9. Explain the mandatory disclosures in Company's Annual Reports.

10. Discuss the different techniques of financial statement analysis.

11. The following information relates to the business of ABC Company as at the end of March, 2015.

a.	Gross profit ratio	25%
b.	Net profit ratio	20%
c.	Stock turnover ratio	10
d.	Net profit/Capital	1/5
e.	Capital/Total liabilities	1/2
f.	Fixed assets/Capital	5/4
g.	Fixed assets/Current Assets	5/7
h.	Fixed assets	Rs. 10,00,000
i.	Closing Stock	Rs. 1,00,000

From the above information, find out

1. Cost of sales
2. Gross profit
3. Net profit
4. Value of current assets
5. Amount of capital
6. Amount of liabilities

12. Prepare a fund flow statement from the data:

Particulars	**31.03.2018 (Rs. in 000s)**	**31.03.2019 (Rs. in 000s)**
Fixed assets (Gross)	750	1120
Stock and stores	190	330
Debtors	380	335
Bank balances	180	(68.75) OD
Trade creditors	270	350
Share Capital (in shares of Rs. 10 each)	250	300
Bills Receivable	87.5	95

a. The profit for the year ended 31.03.2019 before charging depreciation and taxation amounted to Rs. 2,40,000.

b. 5000 shares were issued on 1st Jan 2019 at a premium of Rs. 5 per share.

c. Rs. 1,37,500 were paid in March 2019 by way of income tax.

d. Dividend was paid as follows:

2018 (final) at 10%, less of tax @ 25%

2019 (Interim) 5%, free of tax

SECTION - D

13. Case Study(Compulsory). **(1×15=15)**

From the following particulars, draw up a Balance Sheet of Xtra Ltd., for the year ending 31st March 2015.

a.	Current ratio	2.5
b.	Quick ratio	1.5
c.	Networking capital	Rs. 60,000
d.	Stock turnover ratio	6 times
e.	Gross profit ratio	20%
f.	Fixed assets turnover ratio	2 times
g.	Debtors turnover ratio	2 times
h.	Fixed assets to shareholders net worth	0.8
i.	Reserves to capital	0.5
j.	Long term loans	Rs. 30,000